## DOCKET FILE COPY ORIGINAL



FEDERAL COMMUNICATIONS COMMISSION

Washington

EX PARTE OR LATEVILLED

OFFICE OF THE CHAIRMAN MAR 2 5 1993

Honorable Larry Pressler United States Senate 133 Hart Senate Office Bldg. Washington, DC 20510-4101

Dear Senator Pressler:

RECEIVED
MAR 2 6 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY
TY 19, 1993,

This is in response to your letter of February 19, 1993, regarding the effect on domestic equipment manufacturers of the Commission's proposals to reallocate and rechannelize five bands above 3 GHz for use by fixed microwave licensees currently operating in the 2 GHz band.

The Commission's proposals in ET Docket No. 92-9 were based upon bands and rechanneling schemes contained in petitions for rule making filed by the Utilities Telecommunications Council and Alcatel Network Systems, Inc. U.S. equipment manufacturers and their representatives have filed comments in this proceeding expressing concern that the scheme of the proposed rechannelization plans would impair competition and place U.S. equipment manufacturers at a disadvantage. These entities have submitted alternative rechannelization proposals for the Commission's consideration and briefed Commission staff on their views and alternative proposals.

The Commission's staff is engaged in evaluating the rechanneling schemes and arguments presented in the record of this proceeding. Please be assured that the Commission is sensitive to the impact of its proposals on competition and U.S companies and will carefully consider these issues before reaching a final decision. For this purpose, your letter is being placed into the record of ET Docket No. 92-9.

Sincerely,

James H. Quello Chairman

> No. of Copies rec'd\_ List A B C D E

# Congressional

### CONGRESSIONAL CORRESPONDENCE TRACKING SYSTEM 03/03/93

### LETTER REPORT

CONTROL NO.	DATE RECEIVED	DATE OF CORRESP	DATE DUE	DATE DUE OLA(857)
9301016	03/03/93	02/19/93	03/23/93	
TITLE	MEMBERS NAME		REPLY FOR SIG OF	
Senator	Larry Pressler		JHQ	
CONSTITU	ENT'S NAME	st.	UBJECT	
personal vi	ew OET:	spectrum allocati	ion informat	tion
REF TO	REF TO	REF TO	REI	F TO
OET		FAS	· .	
DATE	DATE	DATE		DATE
03/03/93	3/3/93	t. Diese ausgesche der der Weisers der Seiter ausgesche der Seiter der Seiter der Seiter der Seiter der Seiter der	• — ,	
REMARKS:	Roturo.	to OET C	m 3	3/11/93

Leggelin Sag- 3/4/93 8:30 MM

LARRY PRESSLER
SOUTH DAKOTA

# United States Senate

WASHINGTON, DC 20510-4101

February 19, 1993

FOREIGN RELATIONS
COMMERCE, SCIENCE, AND
TRANSPORTATION
SELECT COMMITTEE
ON AGING
SMALL BUSINESS
JUDICIARY

Mr. James H. Quello Chairman Federal Communications Commission 1919 M Street, N.W. Washington, DC 20554

Dear Mr. Chairman:

As you know, in the past, there have been instances in which regulations which were intended for one purpose have resulted in putting U.S. businesses in an uncompetitive position with foreign businesses. In the long run, these U.S. companies go out of business which then causes a loss of employment for American workers. I feel that while government agencies are involved in the rule-making process, consideration should be given to the long-term impact these regulations will have on U.S. business. Any plan which interferes with free market competition for spectrum use will lead to inefficiency and vendor favoritism.

I am particularly concerned with the Commission's proposals for the reallocation of spectrum space in the area of 2 Gigahertz (GHz) in ET Docket No. 92-9. The purpose of this regulation is to provide for emerging technologies, primarily for personal communications services and mobile satellites. While the Commission in its proposed rule-making actions has demonstrated sensitivity to the incumbent users of the 2 GHz band, it is not clear that the concerns of equipment providers are being examined with regard to the impact it will have on their business.

I have been advised by equipment manufacturers and the Telecommunications Industry Association that competition may be adversely impacted if the current proposed position of the

Mr. James H. Quello February 19, 1993 Page two

It is important that the Commission consider the impact this regulation will have on American industry as well as the users when it reaches its final determination. The economic consequences of a decision which favors foreign-owned companies could be very serious indeed. Thank you for your consideration

